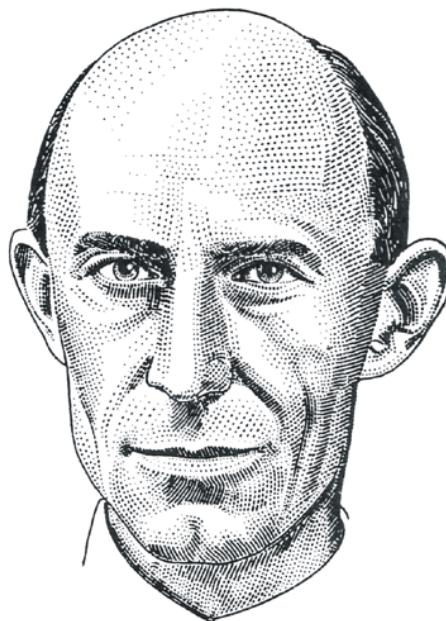
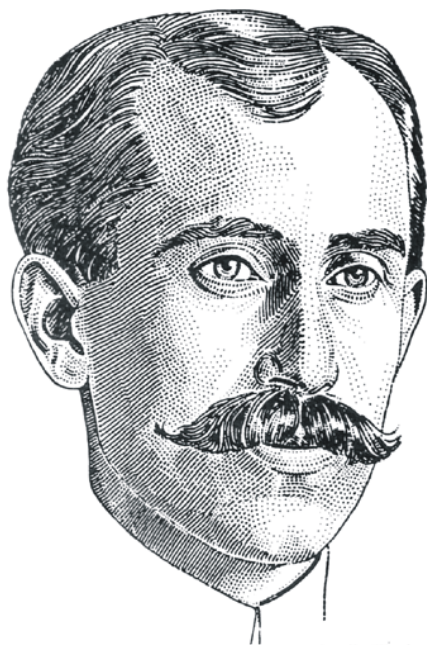
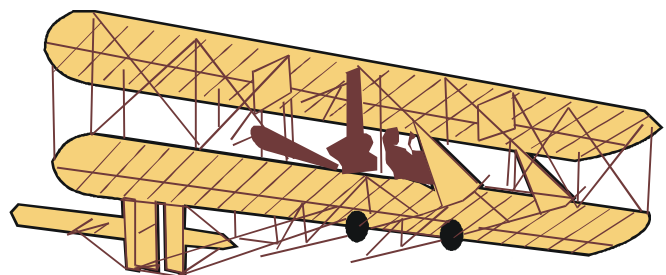


Wright-Patterson AFB, Ohio

Economic Impact Analysis



1903 - 2003



30 September 2004

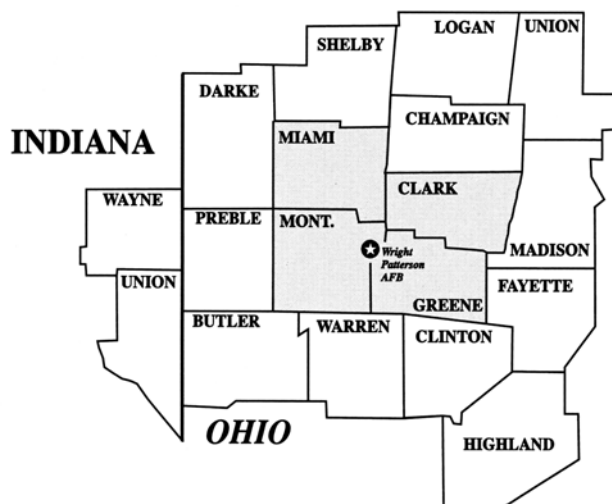
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PREFACE

This document was formerly called the Economic Resource Impact Statement (ERIS). In August 1995, the Secretary of the Air Force for Financial Management specified a new methodology for computing a military installation's economic impact and changed the name of the document from the ERIS to the Economic Impact Analysis (EIA). The change makes Air Force EIA estimates consistent with the Office of the Secretary of Defense (OSD) Base Realignment and Closure (BRAC) Commission methodology. The biggest difference between the former ERIS and the EIA is in the definition of an installation's economic area. Wright-Patterson's economic area was formerly referred to as the Economic Impact Region, a 50-mile commuting radius from the base including the 18 counties shown on the map below. Until June 2003, Wright-Patterson's current economic area was referred to as the Dayton-Springfield, OH Metropolitan Statistical Area (MSA) and included the highlighted counties of Clark, Greene, Miami and Montgomery. Based upon 2000 census results, the MSA was modified: Clark County was eliminated and Preble County was added and the MSA re-titled "Dayton". It should be noted that in previous fiscal years, approximately 95 to 97 percent of the base employees resided in just this 4-county area and approximately 95 to 97 percent of the base payroll was distributed there as well. FY04 was no exception with 96 percent of base employees residing in the historically designated Dayton-Springfield MSA. The US Census web page contains the following caveat regarding changes in definitions over time of MSAs. "Because of these historical changes in geographic definitions, users must be cautious in comparing data for these statistical areas from different dates. For some purposes, comparisons of data for areas as defined at given dates may be appropriate; for other purposes, it may be preferable to maintain consistent area definitions." We determined this caveat appropriate and prepared the FY04 EIA based on the historical designated Dayton-Springfield MSA. The 88th ABW/FMI office is compiling data to conduct statistical analyses to determine the impacts of now preparing the EIA according to the updated MSA Dayton designation. Once these analyses are complete this office will make the appropriate recommendation as to which MSA designation will be utilized for FY05 forward.

ECONOMIC AREA FOR WRIGHT-PATTERSON AFB, OHIO



The information in this document was gathered from various organizations at Wright-Patterson Air Force Base, other Air Force agencies, Department of Defense agencies, other federal agencies and private sector sources. The EIA provides the reader with an encapsulated view of one of the largest Air Force bases in the world. It was prepared by the Installation and Support Mission Branch of the 88th Air Base Wing, Financial Management Directorate, Wright-Patterson Air Force Base, Ohio, using 30 September 2004 data. Questions or comments concerning the statistics or data contained in this pamphlet may be addressed to Ms. Sharon Jenkins, 88 ABW/FMI, 1450 Littrell Rd., Wright-Patterson AFB, OH 45433-5209, commercial telephone (937) 257-7780, or DSN 787-7780.

WRIGHT-PATTERSON'S HERITAGE

Wright-Patterson Air Force Base near Dayton, Ohio, traces its origin directly from the Wright brothers' pioneering flights in 1904 and 1905 at the Huffman Prairie Flying Field located in the middle of the installation. Its past, present and future are all inextricably linked with the Wright brothers' legacy. Dayton was the Wright brothers' home and Daytonians consider their city the "Birthplace of Aviation." The Wrights' early years, their bicycle shops, their printing business, and their early aviation efforts are evident throughout the greater Dayton area. Just off the end of Wright-Patterson's active runway, a replica of the Wright brothers' 1905 hangar overlooks the Huffman Prairie Flying Field, their first flying field and the place where they, in their own words, "really learned to fly". It has been designated a National Historic Landmark and is part of the Dayton Aviation Heritage National Historical Park.

The installation itself has been a leader in military aviation since World War I. Aviation research and development began to flourish at Wright-Patterson when the U.S. entered World War I. Wilbur Wright Field was established in the summer of 1917 as a pilot training school at the site of Wright-Patterson's present flight line in Area C. In the fall of 1917, McCook Field was established as an Air Service engineering center. McCook Field was located near downtown Dayton at what is now the intersection of State Route 4 and Interstate 75. In 1927, a new aerodrome and research complex were constructed on land donated by the citizens of Dayton to replace the overcrowded McCook Field. Named Wright Field in honor of both brothers, it now comprises Area B.

Wright-Patterson's logistics heritage also dates from World War I. The Fairfield Aviation General Supply Depot was established in 1917 adjacent to Wilbur Wright Field. The Fairfield Air Depot, as it became known, was a major Army Air Corps depot through the end of World War II. In 1931, the area encompassing the Fairfield Air Depot, Wilbur Wright Field, and the Huffman Prairie Flying Field, was renamed Patterson Field in honor of Lt. Frank Stuart Patterson, who died on the flight line in 1918 when his DH-4 crashed during a flight test.

In 1948, Wright and Patterson Fields merged to create Wright-Patterson Air Force Base. The Air Base Wing served as the host organization for the base until the Aeronautical Systems Center assumed the responsibilities in 1992. The 88th Air Base Wing regained the host organization duties in 2004. It also provides base operating support for the installation.

Wright-Patterson is one of the largest, most diverse, and organizationally complex bases in the Air Force. Its missions range from acquisition and logistics management, to research and development, education, flight operations, and an assortment of other defense and non-defense activities. Wright-Patterson is home to the Air Force Materiel Command, the Aeronautical Systems Center, the Air Force Research Laboratory, the Air Force Security Assistance Center, the Air Force Institute of Technology, the National Air and Space Intelligence Center, the National Museum of the United States Air Force, the 445th Airlift Wing Air Force Reserve Command, a regional Department of Defense medical center, and numerous other Air Force, Department of Defense, and government agencies.

Today, as in the first century of flight, Wright-Patterson is where weapon systems of the future are conceived, tested, and modified until worthy of acceptance as part of the most responsive deterrent force in military aviation history. The heritage of a legendary past spurs aerospace scientists and logisticians in their quest to keep man flying faster, higher, farther, and safer than ever before. The installation also serves as an aerial port of embarkation and plays a continuing role in the War on Terrorism, to include Operations Enduring Freedom, Noble Eagle, and Iraqi Freedom.

The excellent community spirit and cooperation of the installation and its personnel is another hallmark of Wright-Patterson's heritage. Base personnel contribute hundreds of volunteer hours to community projects. They support the annual Vectren Dayton Air Show, offer special events at the National Museum of the United States Air Force, host the Air Force Marathon, conduct education outreach programs, and work with the Dayton Aviation Heritage National Historical Park to enhance the Miami Valley's legacy as the Birthplace of Aviation.

The creativity and professionalism of base employees together with the vitality of the Miami Valley's citizens have combined to make Wright-Patterson Air Force Base the birthplace, home, and future of aerospace.

CAPITAL ASSETS

(As of: 30 September 2004)

BUILDING CATEGORY		SQUARE FEET
Housing (Includes detached garages and storage buildings)		955,961
Community (Includes commissary, BX, BAQ, VAQ/VOQ, and recreation)		2,506,619
Research and Development		4,738,553
Hospital		825,533
All Other Buildings (Includes Operations & Training, Supply, Maintenance & Production, and Administration)		6,321,331
Other Structures and Facilities		642,971
Utilities and Ground Improvement		243,353
TOTAL		16,234,321

DORMITORY/TEMPORARY QUARTERS	NUMBER OF UNITS	BED CAPACITY
Airman/NCO	4	392
Visiting Officer/Airman Quarters	8	422
Temporary Lodging Facilities ¹	46	144
Compassionate Care Facilities	16	32
TOTAL	74	990

LAND	ACRES
Fee Owned	7,629
Easements	431
Right of Way	83
Leased	2
TOTAL	8,145

RUNWAYS	LINEAR FEET
Area A	7,000
Area C	12,600
Area B (inactive)	7,147
TOTAL	26,747

FACILITIES DATA	NUMBER OF BUILDINGS
Buildings	525
Family Housing	324
TOTAL	849

NOTE: There have been NO Accessions or Deaccessions for FY04

¹ Increase in Temporary Lodging Facilities attributed to conversion of smaller two bedroom housing units to TLFs in preparation of upcoming renovation of existing TLFs at WPAFB.

TABLE 1 - SUMMARY OF PERSONNEL AND GROSS ANNUAL PAYROLL
BY CLASSIFICATION AND HOUSING LOCATION

(As of: 30 September 2004)

CLASSIFICATION		LIVING ON BASE		LIVING OFF BASE		TOTAL	
		PERSONNEL	PAYROLL \$	PERSONNEL	PAYROLL \$	PERSONNEL	PAYROLL \$
1. APPROPRIATED FUND							
MILITARY							
	Active Duty ¹	594	\$25,034,485	5,065	\$308,699,069	5,659	\$333,733,554
	Air Reserve Technicians	0	\$0	374	\$12,642,224	374	\$12,642,224
	Non-Extended Active Duty ANG/Reserve ¹	82	\$106,659	1,801	\$40,634,189	1,883	\$40,740,847
	TOTAL:	676	\$25,141,144	7,240	\$361,975,482	7,916	\$387,116,625
2. ACTIVE DUTY MILITARY		914	0	8,729		9,643	
DEPENDENTS							
3. APPROPRIATED FUND CIVILIANS							
	General Schedule & Grades Similar (GG)					10,473	\$728,771,472
	Federal Wage Board					512	\$24,613,758
	Other					121	\$16,509,112
	TOTAL:					11,106	\$769,894,342
4. NON-APPROPRIATED FUND CIVILIANS & PRIVATE BUSINESS							
	Civilian NAF ²					884	\$10,292,779
	Civilian BX					259	\$4,517,556
	Bank One, Credit Union					32	\$861,388
	Office Runway					7	\$166,789
	TOTAL:					1,182	\$15,838,512
GRAND TOTAL:						20,204	\$1,172,849,479

NOTES:

¹ Increases in FY04 active duty and reserve payrolls are attributed to 445th deployments and activations as follows: activation of 205 Air Reserve Technicians (ARTs) and 310 traditional reservists. They paying out of military and annual leave, and the additional 22 days of Presidential leave to the ARTs also impacts payroll numbers. Although 205 ARTs and 310 reservists were activated, these individuals retained the classification of ARTs and Reservists to ensure end strength of Active Duty, ARTs and Reservists were maintained.

² The Strategic Sourcing of Non Appropriated Fund (NAF) Memorandums of Agreement (MOAs) resulted in permanent change from appropriated Funds authorizations to NAF authorizations for 20 people and approximately \$969,000. Additional manpower/payroll increases resulted from the NAF method that counts individuals on their payroll versus authorizations. A five percent increase for retirements benefits also occurred in FY04.

PERSONNEL AND PAYROLL DEMOGRAPHICS (Fiscal Year 2004)

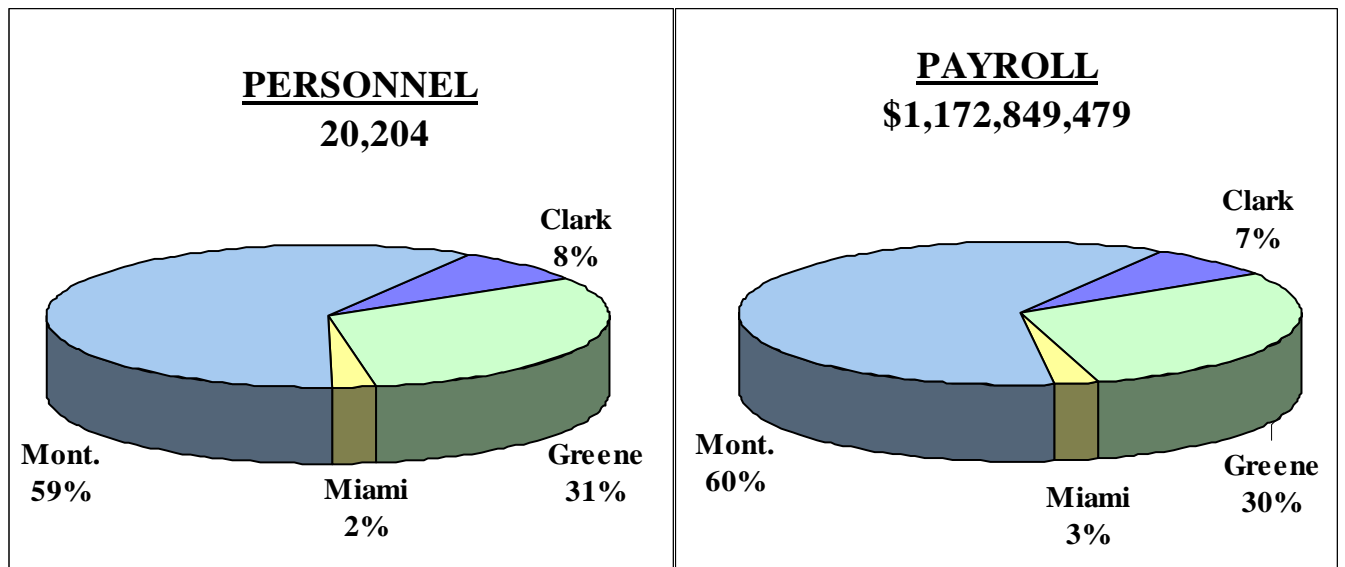
The fiscal year 2004 payroll for Wright-Patterson employees in the local area was over \$3.0 million per day. The Bank One, Credit Union and Office Runway personnel are private business employees that were included in the economic impact calculations since they work at Wright-Patterson AFB.

Payroll and personnel totals in the various employee categories are shown below:

	<u>PAYROLL</u>	<u>NUMBER OF PERSONNEL</u>
Appropriated Fund Civilians	\$769,894,342	11,106
Appropriated Fund Military	\$387,116,625	7,916
Civilian Non-Appropriated Fund	\$10,292,779	884
Civilian Base Exchange	\$4,517,556	259
Branch Banks/Credit Unions, etc.	\$1,028,177	39
TOTAL	\$1,172,849,479	20,204

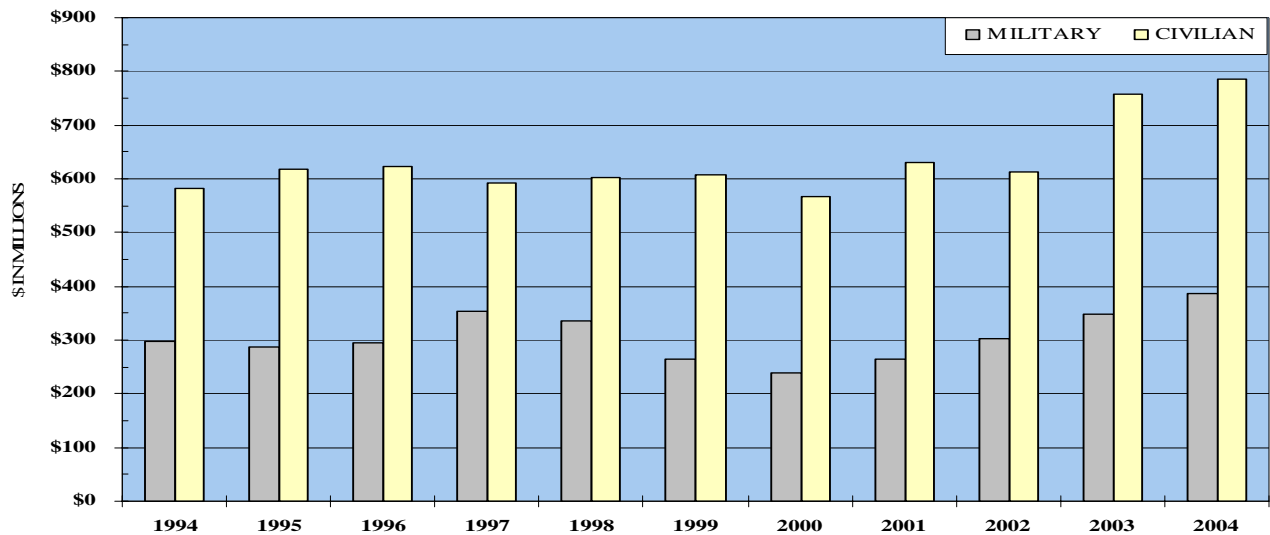
Approximately 96 percent of Wright-Patterson's military and civilian employees live in the Dayton-Springfield OH Metropolitan Statistical Area (MSA) that includes Clark, Greene, Miami and Montgomery counties.

The following pie charts provide a break out of the total personnel and payroll by percentage and county:



PERSONNEL AND PAYROLL TREND CHARTS (Fiscal Year 2004)

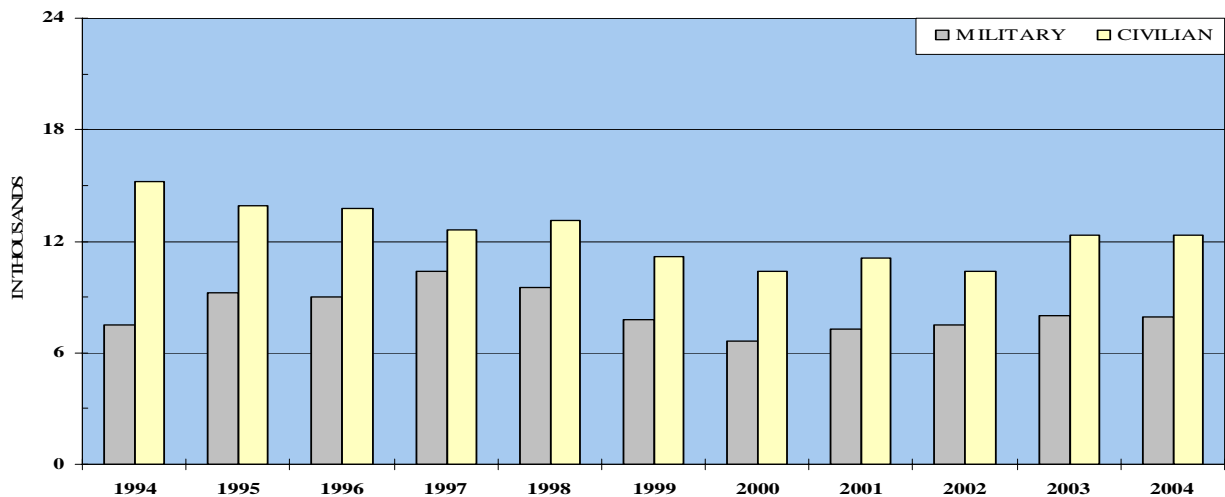
PAYROLL (FY94-FY04)



	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
MIL	\$297.9	\$287.7	\$295.2	\$353.8	\$334.4	\$264.5	\$238.6	\$265.1	\$303.8	\$347.7	\$387.1
CIV	\$581.3	\$616.6	\$623.9	\$591.6	\$601.7	\$606.4	\$566.0	\$631.3	\$613.3	\$758.8	\$785.7
TOTAL	\$879.2	\$904.3	\$919.1	\$945.4	\$936.1	\$870.9	\$804.6	\$896.4	\$917.1	\$1,106.5	\$1,172.8

FY95 -FY04 data includes personnel who reside in the Dayton-Springfield MSA. The military figures include active duty, air reserve technicians and weekend reserve personnel. The civilian figures include Bank One, Credit Union and Office Runway personnel. FY01 and beyond include civilian 868 intelligence personnel not previously captured. FY03 and beyond include tenant organizations. FY94 and prior used an 18-county economic area, only active duty and excluded Bank One, Credit Union, and Office Runway personnel.

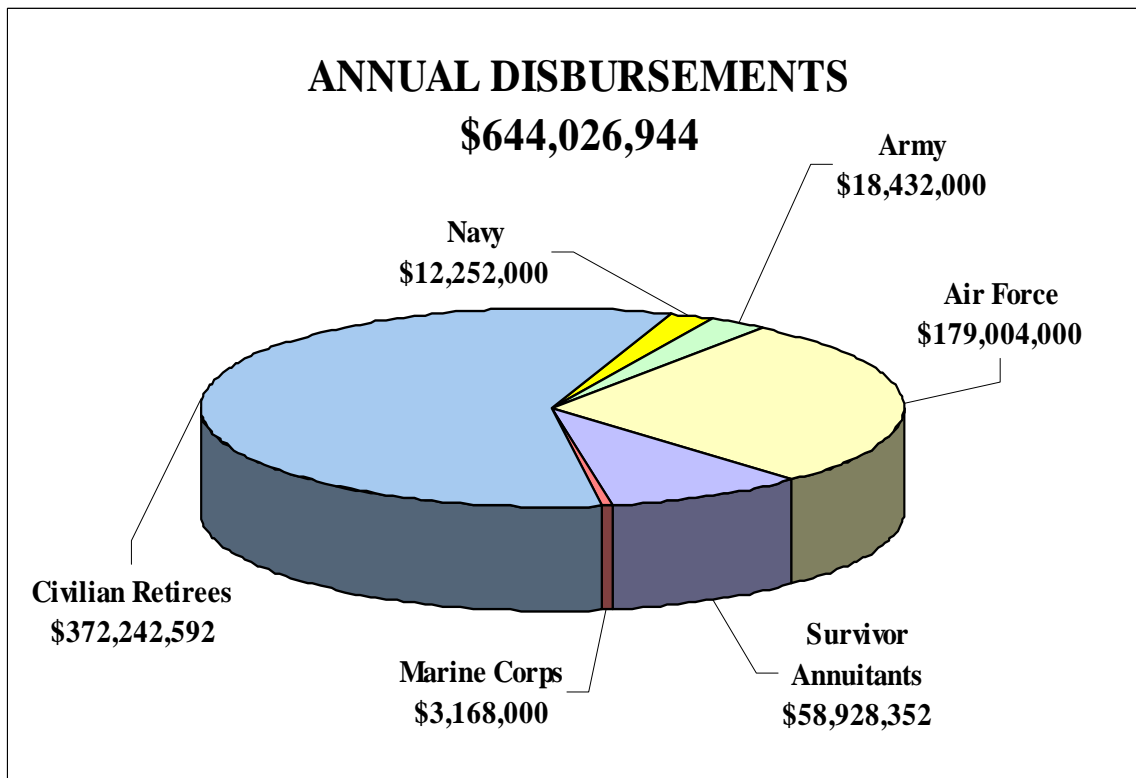
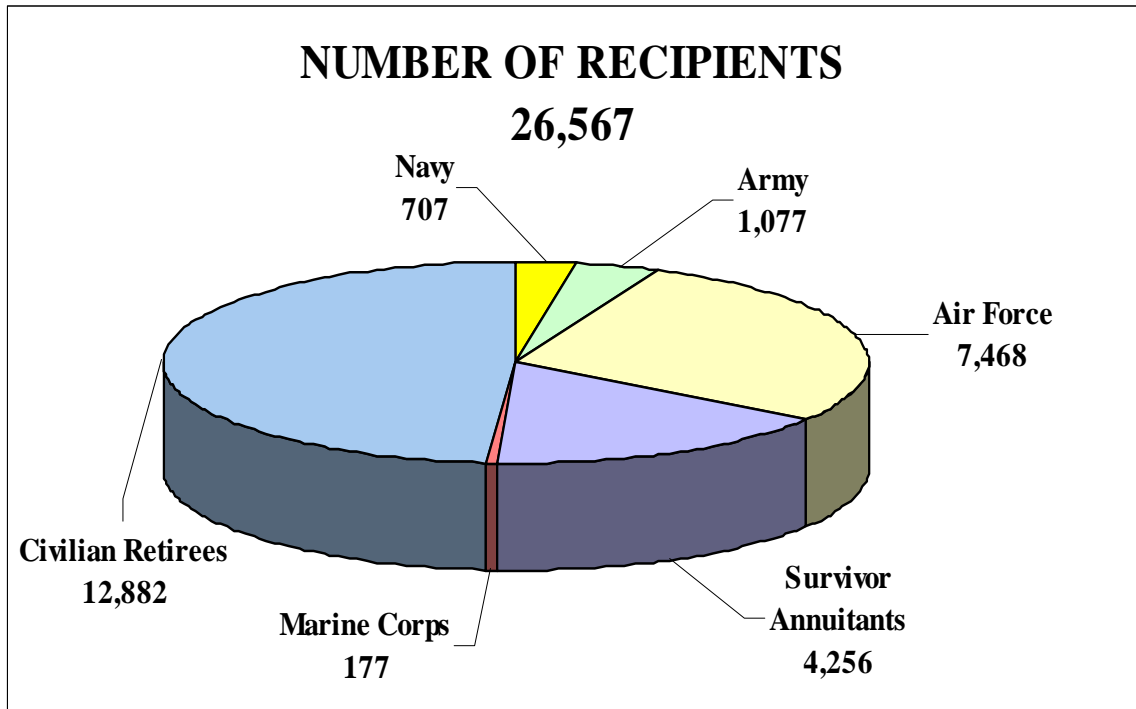
PERSONNEL ASSIGNED (FY94-FY04)



	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
MIL	7.5	9.2	9.0	10.4	9.5	7.8	6.6	7.3	7.5	8.0	7.9
CIV	15.2	13.9	13.8	12.6	13.1	11.2	10.4	11.1	10.4	12.3	12.3
TOTAL	22.7	23.1	22.8	23.0	22.6	19.0	17.0	18.4	17.9	20.3	20.2

Figures rounded to the nearest hundred

AREA MILITARY AND CIVILIAN RETIREES (Fiscal Year 2004)



**TABLE 2 - EXPENDITURES FOR CONSTRUCTION, SERVICES,
MATERIALS, EQUIPMENT, AND SUPPLIES¹**

(As of: 30 September 2004)

	ANNUAL EXPENDITURES
1. CONSTRUCTION	
Military Construction Program	\$64,900,181
Non-Appropriated Fund, Military Family Housing, O&M	\$46,140,189
	<hr/> <hr/>
TOTAL:	\$111,040,370
 2. SERVICES	
Services Contracts ²	\$446,384,766
RDT&E (not elsewhere included)	\$103,673,000
	<hr/> <hr/>
TOTAL:	\$550,057,766
 3. MATERIALS, EQUIPMENT, AND SUPPLIES	
Commissary/BX	\$870,136
Health (CHAMPUS, Govt. cost only) ³	\$28,807,479
Education (Impact aid and tuition assistance)	\$4,848,462
TDY ⁴	\$20,431,061
Other Materials, Equipment & Supplies (not elsewhere included)	\$108,825,072
	<hr/> <hr/>
TOTAL:	\$163,782,210
 TOTAL ANNUAL EXPENDITURES:	 \$824,880,346

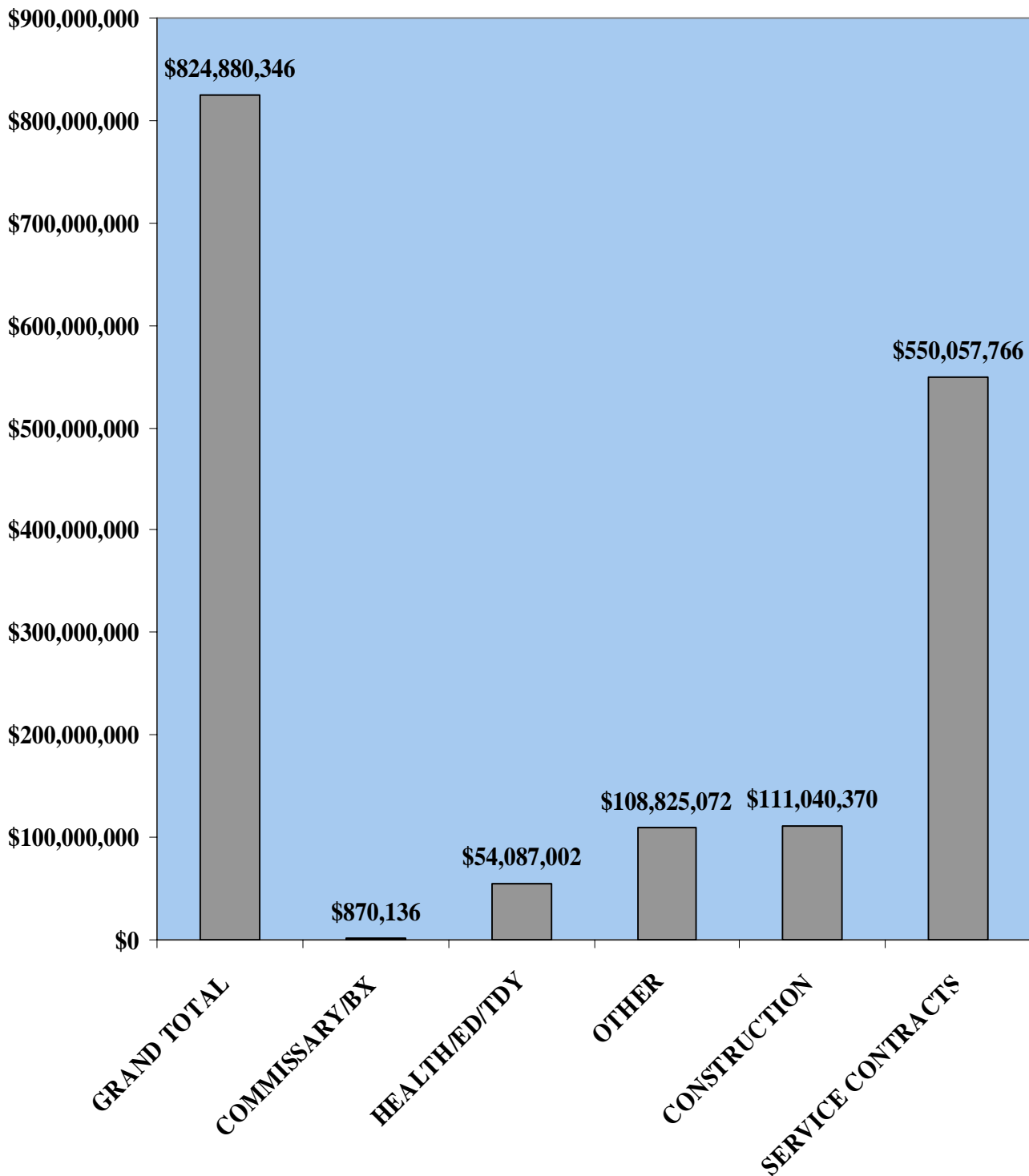
¹Excludes contracts for services supplied to other Air Force installations.

²Includes only contracts in the local economic area or contracts requiring the use of locally supplied goods & services.

³Includes costs for dependents of active duty personnel, retirees, and dependents of retirees to use civilian medical care facilities when military facilities are unavailable or when travel to nearest medical facility places undue hardship on the patient.

⁴Includes only expenditures for meals and lodging of military and civilian personnel on temporary duty at WPAFB.

ANNUAL EXPENDITURE SUMMARY WRIGHT-PATTERSON AFB OH – FY04



Note: Graph built using Table 2 – Expenditures for Construction, Services, Materials, Equipment, and Supplies data. The grand total is the same as total annual expenditures on Table 2.

**TABLE 3 - ESTIMATE OF NUMBER AND DOLLAR VALUE OF
INDIRECT JOBS CREATED**

<u>TYPE of PERSONNEL¹</u>	<u>Number of Base Jobs</u>	<u>Multiplier</u>	<u>Number of Indirect Jobs</u>
Military Active Duty	5,659	0.41	2,320
Trainees and Reservists	2,257	0.16	361
DoD Civilians	11,106	1.57	17,436
Other Civilians	1,182	1.57	1,856
TOTAL:	20,204		21,973

AVERAGE FY04 ANNUAL PAY FOR THE LOCAL COMMUNITY: \$36,387
(2002 BLS Datum is Most Recent Avg Ann Pay-Inflation Rate 1.06 per SAF/FMC Web Page)

ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED:² **\$799,523,201**

Data Sources:

Multipliers: LMI Economic Impact Database, Installations and Indirect Job Multipliers.
FY02 Average Annual Pay: Bureau of Labor Statistics, U.S. Department of Labor

TABLE 4 - TOTAL ANNUAL ECONOMIC IMPACT ESTIMATE

ANNUAL PAYROLL:³	\$1,172,849,479
Military	\$387,116,625
Federal Civilian	\$769,894,342
Other Civilian	\$15,838,512
ANNUAL EXPENDITURES:⁴	\$824,880,346
ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED:	\$799,523,201
Estimated Indirect Jobs Created	21,973
Average Annual Pay	\$36,387
GRAND TOTAL:	\$2,797,253,026

NOTES:

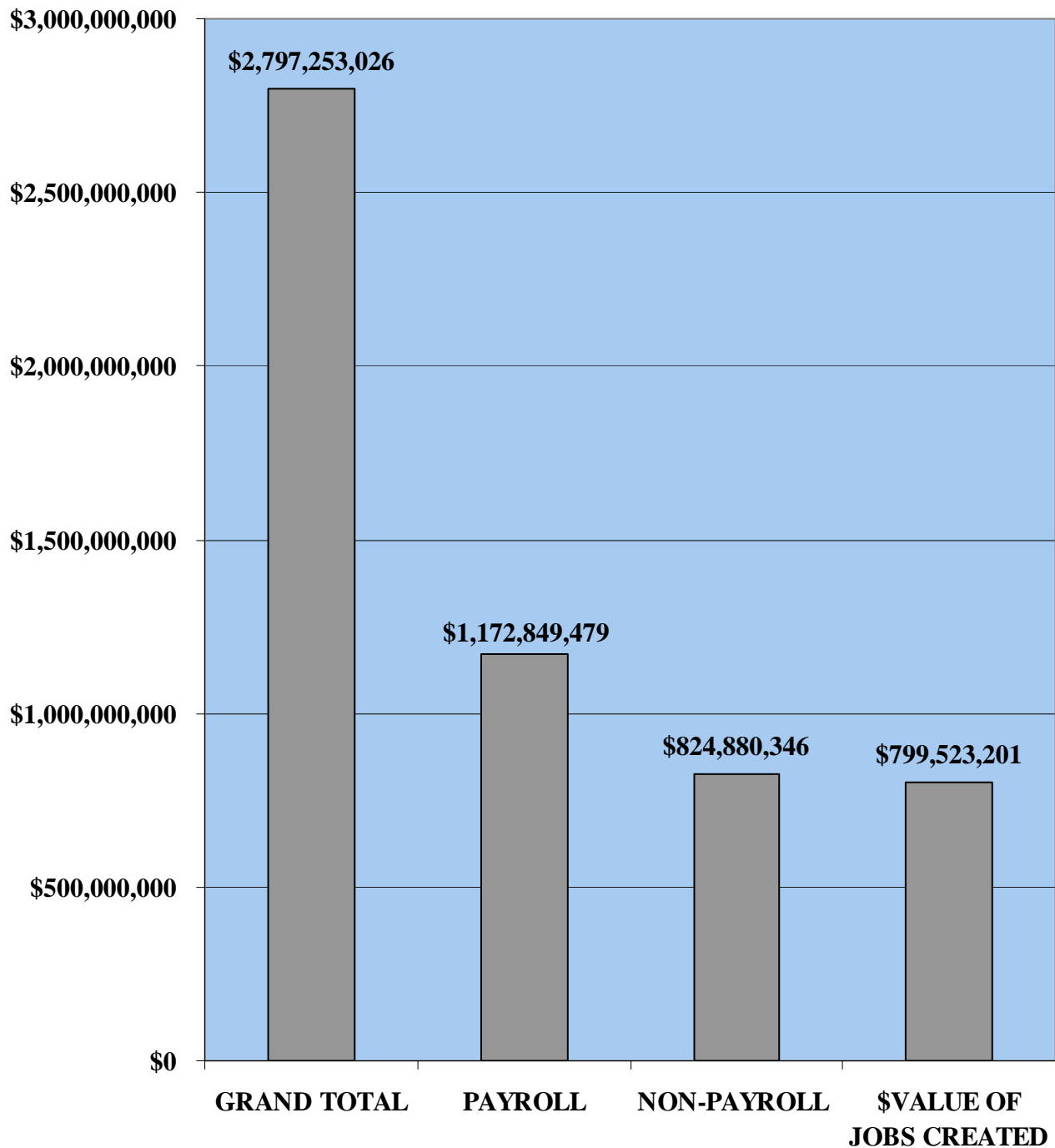
¹ Detailed data for types of personnel contained in Table 1.

² Estimated annual value of jobs created is derived by multiplying the total number of indirect jobs by the average annual pay for the local community.

³ Detailed data for annual payroll contained in Table 1.

⁴ Detailed data on annual expenditures contained in Table 2.

TOTAL ECONOMIC IMPACT WRIGHT-PATTERSON AFB OH – FY04



Note: Data from Table 4 – Total Annual Economic Impact Estimate. The Payroll is labeled annual payroll and non-payroll is annual expenditures on Table 4.

EDUCATIONAL IMPACT AID

(Fiscal Year 2004)

Five school districts received educational impact aid in FY 2004 due to children of Wright-Patterson employees making up a certain percentage of their student enrollment. These impact aid funds are distributed annually to school districts who meet eligibility criteria of formulae set by Public Law 81-874 enacted in 1951. The program originated as a means of compensating local school districts for losses in tax revenues due to the presence of federal property. Compensation varies by student classification with children of active duty military bringing the most revenues to school districts. To qualify, either the local education agency must be serving eligible federally connected children numbering at least 400 in average daily attendance (ADA) or at least three percent of the total number of children in ADA in the district must be federally connected. The threshold is higher for the children of civilian employees. These children may be counted for eligibility and payment purposes only if the combined ADA of such children is 1,000 or more or that number is minimally 10 percent of total students in ADA within the district. An FY 04 breakout by school district receiving impact aid funds/amount follows.

<u>School District</u>	<u>County</u>	<u>Federally Connected Students</u>	<u>Impact Aid Amount</u>
Section 8003			
<u>Data Summary</u>			
Mad River Local	Montgomery	842	\$968,265
Fairborn City	Greene	1,537	\$878,927
Beavercreek Local	Greene	906	\$281,375
Huber Heights City	Montgomery	1,930	\$21,691
Mad River-Green Local	Clark	196	\$0
Dayton City	Montgomery	Not an applicant	
Centerville City	Montgomery	Not an applicant	
Kettering City	Montgomery	Not an applicant	
Springfield City	Clark	Not an applicant	
Xenia City	Greene	Not an applicant	
Tecumseh Local	Clark	Not an applicant	
Miamisburg City	Montgomery	Not an applicant	
Oakwood City	Montgomery	Not an applicant	
West Carrollton	Montgomery	Not an applicant	
Yellow Springs	Clark	Not an applicant	
TOTAL		5,411	\$2,150,258

Note: Change to Public Law 81-874 affected the eligibility of some schools.

Section 8002

Data Summary¹

Mad River Local	Montgomery	\$102,218
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GRAND TOTAL ALL EDUCATIONAL IMPACT AID **\$ 2,252,476**
(Sections 8002 & 8003)

¹ Educational Aid of \$102,218 received by Mad River Local compensates for lost revenues realized from federal government acquisition of property.

COMBINED FEDERAL CAMPAIGN CONTRIBUTIONS **(Fiscal Year 2004)**

Wright-Patterson's record of contributions to the Combined Federal Campaign speaks for itself. Base military and civilian employees have contributed more than \$42 million during the past 20 years.

COMBINED FEDERAL CAMPAIGN CONTRIBUTIONS

